

## Message Text

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63

ACTION AF-18

INFO OCT-01 ARA-16 ISO-00 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 SAM-01 EUR-25 NEA-11 EB-11 SCI-06 FEA-02

OMB-01 CIEP-02 INT-08 COME-00 TRSE-00 DRC-01 /180 W

----- 081739

R 061640Z FEB 74

FM USINT ALGIERS

TO SECSTATE WASHDC 0094

INFO AMEMBASSY BONN

AMEMBASSY BRASILIA

AMEMBASSY MADRID

AMEMBASSY PARIS

AMEMBASSY WARSAW

LIMITED OFFICIAL USE ALGIERS 0269

E.O. 11652: N/A

TAGS: ENRG, AG

SUBJ: MORE ALGERIAN OIL EXPLORATION CONTRACTS

REF: (A) ALGIERS 0239; (B) ALGIERS A-166 (NOTAL)

1. FURTHER INFORMATION INDICATES VEBA JOINT EXPLORATION CONTRACT WITH SONATRACH IS SEPARATE SIGNED CONTRACT, BUT REPLACES PART OF DEMINEX CONTRACT (REF. B). THUS DEMINEX INVESTMENT (REF. A) PARA. 5) SHOULD BE 58 MILLION DOLLARS IN ABOUT 11000 KM2 AREA AND NOT REPEAT NON 103 MILLION DOLLARS IN 28500 KM2 AREA. TOTALS ALSO NEED TO BE REDUCED TO \$304.5 MILLION AND TO 100,600 KM2.

2. ACCORDING GERMAN EMBASSY SOURCE DEMINEX HAD TROUBLE COMMITTING ITSELF TO DOLS 103 MILLION INVESTMENT AND THEREFORE SOME OF MEMBERS OF THE DEMINEX GROUP ENTERED INTO DIRECT CONTRACT WITH SONATRACH. GERMAN EMBASSY OFFICER  
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CONFIRMED THAT VEBA/DEMINEX GROUPS BELIEVED THEY HAVE OBTAINED

GUARANTEED SUPPLY OF 30 MILLION TONS OF OIL OVER 1974-77  
PERIOD, BUT HE FELT THAT WORDING OF CONTRACT WAS VERY VAGUE.

3. SONATRACH ALSO ANNOUNCED ON FEB. 5 AN EXTENSION OF THE  
CFP TOTAL JOINT EXPLORATION AGREEMENT OF JUNE 1973  
AND A NEW JOINT VENTURE CONTRACT WITH CFP FOR ALGERIA'S  
FIRST OFF SHORE EXPLORATION.  
EAGLETON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OILS, MINING, AGREEMENTS, OFFSHORE DRILLING, PETROLEUM, SUPPLIES, EXPLOITATION (NATURAL RESOURCES), CONTRACTS, INVESTMENTS, INVESTMENT DATA, NEGOTIATIONS  
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**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
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**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**From:** ALGIERS  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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